

Local News

First Homes focuses on rehab projects to rejuvenate areas

9/12/2007 9:54:07 AM

By Jeffrey Pieters

Post-Bulletin, Rochester MN

In recent years, First Homes has turned more to rehabilitation projects, such as the one at 1140 W. Center St., the 97-year-old house that was the setting for Monday's celebration.

The property exemplifies the shift in First Homes' focus as the housing-supply crisis in the region subsided and local leaders identified a new aim -- to bring core Rochester neighborhoods up to the same living standard as in newer neighborhoods on the city's fringe.

First Homes received the four-bedroom house as a donation and proceeded to give it a full makeover, from the roof to the floors. The house received a new garage facing the alley, the driveway was torn out, and the whole property was re-landscaped. A neighborhood leader described the property as "a new old house."

That house, under previous owners, had become one of the more deteriorated on the block. After First Homes poured \$140,000 into it -- well above average cost for a First Homes rehab project -- it looks like one of the best.

The property is worth about \$173,000, and First Homes is asking \$133,000 for it -- that's the value of the house minus \$40,000 for the lot, which the nonprofit will retain in the Community Land Trust.

Taking a financial hit in a case like this is OK, said Sean Allen, who leads the initiative, if it sets off a chain reaction of private investment in the neighborhood. First Homes' plan is to take on the toughest cases and make them into exemplary properties. The initiative is doing the same thing at 815 First St. S.W., where it tore down a notorious "drug house" and is rebuilding a classic arts-and-crafts period four-plex condominium.

"We have such an opportunity when we buy these houses to look long, long-term, and look at the impact we can make on the neighborhood," Allen said.

First Homes' current activities go beyond Rochester's boundaries. The initiative has ongoing new-housing developments in Plainview, Dover and Chatfield.